

Title: Bay Staters Deserve Opportunities to Build a Better Financial Future

Whether you grew up in Revere, Winthrop, Lawrence, Brighton, or Boston, every community in the Commonwealth values kitchen-table issues; an honest day's work, safe streets, affordable homes, good schools, access to quality and affordable healthcare, and the ability to earn a good living and save for the future.

Just last month, we were able to pass a historic Tax Relief Bill which will make the Commonwealth more affordable, competitive and equitable by putting real dollars directly back into the pockets of hardworking Bay Staters. Whether it's by increasing the child and dependent tax credit for families or lowering the capital gains tax so folks see more of their money when they invest in their Robinhood or Fidelity accounts, this legislation will provide immediate relief and opportunities for working class people fighting hard every day to make a living.

There's more work to be done. It's no secret that for much of this country's history, the financial system has been largely closed off to most Americans. Teachers, plumbers, steamfitters, steelworkers, nurses, members of the military, and men and women in uniform simply have not always had the same opportunities to save and build wealth as the one percent.

Until recently, owning stocks was largely reserved for older, wealthy, and less diverse Americans, including those with the means to pay a financial professional to do it for them. Fortunately, recent innovations aimed at empowering a new age of investors tore down these barriers, reshaped our financial system, and paved the way for a massive influx of new investors into the stock market. These millions of new investors are younger, more diverse, and come from every community and every part of the country, including hundreds of thousands of people right here in Massachusetts.

Not only did this transformative shift expand access to the stock market for an entirely new generation of Americans, it has made finance and investing more approachable and relevant to millions of people who had previously avoided it because of its intimidating and exclusive nature. Today, technology has democratized investing with easy-to-use, low-cost mobile platforms like Robinhood that for the first time provide tools allowing ordinary Americans to save a little more, make a few extra dollars in income, and invest in great American companies they believe in, including companies that are based here in the Commonwealth. These new platforms have not only simplified the act of purchasing a stock, they've increased the overall relevance and interest in personal finance. Whether it's through podcasts, newsletters, or in-app education modules, these platforms are using technology to communicate with and educate investors, making financial literacy more accessible by breaking-down complex concepts such as compounding and dollar cost averaging, as well as the differences between a traditional and Roth IRA and the implications of a 'wash sale' or capital gains.

We must encourage these platforms, who are uniquely positioned, with their reach and resources, to continue prioritizing financial literacy with the understanding that developing a new generation of informed investors will lead them to a more sustainable financial future. We also need to promote sound policies that will help keep these new investors involved for the long-term while protecting them from fraud and abuse. Unfortunately, recent efforts by financial regulators are threatening to throw these new investors right back out of the markets. At both the state and federal levels, securities regulators are considering new rules that, while intended to protect investors, would strike at the very heart of the online model most prefer to use to invest today. These rules could even make it impossible for financial providers to use the very same innovative technologies that have brought millions into the stock market in the first place. And they are likely to disproportionately harm those underserved populations that for decades have been told they aren't smart enough or wealthy enough to invest.

We reject this narrative, as do many of our colleagues. We've personally spoken to our neighbors – construction workers in Lawrence, firefighters in Revere, cab drivers around Boston, and the staff here in the State House – many of whom tell us that they feel more empowered and equipped than ever before to make their own financial decisions. These are normal people who don't necessarily have the resources, the need, or the desire to completely turn the management of their finances over to expensive professionals. Instead, they've gravitated toward affordable and easy-to-use mobile platforms that allow them to take a more hands-on approach in managing their finances. These investors deserve strong, sensible regulations that protect them from fraud and abuse, but they also deserve the opportunity to participate fully in our financial system and achieve the American dream. We will continue to fight in the State House for policies that give our communities both.